



*Strengthening Homes,  
Communities  
and Lives*

[www.rupco.org](http://www.rupco.org)

August 3, 2022

Re: OCC Docket ID OCC-2022-0002  
FDIC RIN: 3064-AF81  
Federal Reserve Docket No. R-1769 and RIN 7100-AG29

To Whom it May Concern:

Thank you for allowing me the opportunity to express my comments on the Notice of Proposed Rulemaking (NPR) regarding the Community Reinvestment Act (CRA).

Since its enactment in 1977, the CRA made vast strides in providing formally redlined low- and moderate-income (LMI) communities with access to safe, sustainable banking and financial products that can help attract and retain investment. By requiring banks to invest in LMI communities, CRA has secured over \$1 trillion in mortgages, small business loans, and economic development for under-served neighborhoods.

RUPCO's mission to create homes, support people and improve communities would not be possible without CRA investments. Our affordable housing development portfolio includes a mix of senior and supportive, family and artist housing in the Hudson Valley. To bring these much needed projects to reality, RUPCO has utilized the Low-Income Housing Tax Credits (LIHTC) program, gaining equity through the sale of the tax credits to banks who act as investors. The current proposed rule does not include LIHTC as an impact factor for CRA, we ask that LIHTC be included when measuring community impact, as allocations of this housing credit prioritize areas within a state or local jurisdiction that can benefit most primarily from expanding affordable housing options and addressing community needs.

Throughout 17 years, RUPCO's HomeOwnership Center has helped over a thousand families achieve homeownership, a dream that is made possible by the CRA's requirement that enforces banks to make mortgage loans in neighborhoods with low and moderate incomes where they might have branches. Therefore, we were pleased to see that the proposed rule supports allowing consideration of community development activities outside of a bank's assessment area. Because many areas across the nation are remote and far removed from credit opportunities, allowing this flexibility to expand and support affordable housing production and preservation and other community development activities outside of the assessment area will incentivize banks to invest in these high-need remote areas.

Racial disparities have shaped our society, they are deeply embedded in our system, and housing is no exception to that. The effects of racist policies that denied people of color the right to housing over a hundred years ago continue to have consequences today. Persistent racial disparities in lending should compel the agencies to incorporate race and ethnicity in CRA exams. A recent national level analysis showed continuing differences in loan denials by race, and when people of color received home loans, their equity accumulation was less. NCRC had asserted in a paper that it is possible for changes to CRA to comply with legal standards if CRA examined lending by race and ethnicity in geographical areas experiencing ongoing



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discrimination. By including race and ethnicity, CRA can identify and address persistent racial disparities that have direct impacts on quality of life and health outcomes.

Our agency prides itself on working with communities rather than in communities. We believe the CRA provides an opportunity to seek out public input when assessing a bank's meeting local needs is crucial to enhancing accountability and responding to actual needs. We encourage agencies to create a public registry for organizations to sign up for should they wish to be contacted regarding a bank's CRA performance in meeting community needs. A robust engagement with community organizations by the agencies will display a commitment to accountability from a diverse array of entities and allow public input to remain a prominent factor during CRA performance evaluations.

In conclusion, the NPR is a step in the right direction. However, it fails to provide a broader outreach to those who have been historically marginalized. We ask that we ask that LIHTC be included when measuring community impact, race and ethnicity be incorporated in CRA exams, and public input be widened. We believe these changes could help reduce inequalities, disinvestment, and other disadvantages in communities that are consistently overlooked.

Thank you again for the opportunity to comment on this program.

Sincerely,



Kevin O'Connor  
Chief Executive Officer